

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

<b>UNITED STATES OF AMERICA</b>	:	<b>CRIMINAL NO.</b>
	:	
<b>v.</b>	:	
	:	<b>Charges:</b>
<b>JESSE L. JACKSON, JR.,</b>	:	
	:	<b>18 U.S.C. § 371 (Conspiracy)</b>
	:	<b>18 U.S.C. § 1001 (False Statements)</b>
	:	<b>18 U.S.C. § 1341 (Mail Fraud)</b>
<b>Defendant.</b>	:	<b>18 U.S.C. § 1343 (Wire Fraud)</b>
	:	
	:	<b>18 U.S.C. § 981(a)(1)(C) &amp;</b>
	:	<b>28 U.S.C. § 2461(c) (Criminal Forfeiture)</b>

**INFORMATION**

The United States Attorney charges that:

**COUNT ONE -CONSPIRACY**

At various times relevant to this Information:

**Introduction**

1. At all relevant times, Defendant, JESSE L. JACKSON, JR., served as a Congressman in the United States House of Representatives, representing Illinois's 2<sup>nd</sup> Congressional District. Defendant JESSE L. JACKSON, JR., maintained a home in Chicago, Illinois, within the 2<sup>nd</sup> Congressional District, and a home near the Dupont Circle and Georgetown neighborhoods of Washington, D.C.

2. From at least in or about 2008 to in or about November 2012, Co-Conspirator 1 served as a consultant to Defendant JESSE L. JACKSON, JR.'s re-election campaigns. Starting in 2011, Co-Conspirator 1 also started functioning as the campaign manager for the campaigns to re-elect Defendant JESSE L. JACKSON, JR. From in or about January 2005 to in or about November

2006, Co-Conspirator 1 served as treasurer for Defendant JESSE L. JACKSON, JR.'s re-election campaigns.

3. At all relevant times, Person A took part in preparing the forms filed by the re-election campaigns of Defendant JESSE L. JACKSON, JR. with the Federal Election Commission ("FEC"). From in or about January 2005 through in or about November 2006, Person A was the assistant treasurer for Defendant JESSE L. JACKSON, JR.'s re-election campaigns and assisted Co-Conspirator 1 in preparing the FEC filings. From in or about January 2007 through in or about June 2008, Person A officially served as the treasurer for Defendant JESSE L. JACKSON, JR.'s re-election campaigns. After June 2008, Person A ceased serving as treasurer of Defendant JESSE L. JACKSON, JR.'s re-election campaigns, but continued to assemble FEC filings for the signature of the new treasurer. From in or around June 2008 to the present, Person A was also a staff member for Defendant JESSE L. JACKSON, JR., working in his Washington, D.C. Congressional Office.

4. Person B served as the treasurer for Defendant JESSE L. JACKSON, JR.'s re-election campaigns from in or about July 2008 through in or about July 2012 and signed the forms prepared by Person A.

5. At all relevant times, Person C was a staff member for Defendant JESSE L. JACKSON, JR., working in his district office in the 2<sup>nd</sup> Congressional District.

6. At all relevant times, Person D was president and chief operating officer of an Illinois-based company.

7. At all relevant times, Person E was the owner of an Illinois-based consulting firm.

8. At all relevant times, Person F was the owner of an Alabama-based company.

9. At all relevant times, Defendant JESSE L. JACKSON, JR.'s principal campaign committee was "Jesse Jackson Jr for Congress" and, later, "Jesse Jackson, Jr. for Congress" ("the Campaign").

The Conspiracy and Its Objects

10. From at least in or about August 2005 through in or about July 2012 in the District of Columbia and elsewhere, the Defendant,

**JESSE L. JACKSON, JR.**

and others unlawfully, willfully, and knowingly combined, conspired, confederated, and agreed with one another and with others to commit offenses against the United States, that is:

a. to willfully and knowingly make and cause to be made, and use and cause to be used, in a matter within the jurisdiction of a department and agency of the United States, a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement, in violation of Title 18, United States Code, Section 1001;

b. to knowingly and with intent to defraud, devise and intend to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing they were false and fraudulent when made, for the purpose of executing such scheme and artifice and attempting so to do, did cause to be delivered goods by a private and commercial interstate carrier, in violation of Title 18, United States Code, Section 1341; and

c. to knowingly and with intent to defraud, devise and intend to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing they were false and fraudulent

when made, for the purpose of executing such scheme and artifice and attempting so to do, did cause to be sent and delivered interstate wire communications, in violation of Title 18, United States Code, Section 1343.

Goal of the Conspiracy

11. The goal of the conspiracy was for Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1 to enrich themselves by engaging in a conspiracy and a scheme to defraud in which they used funds donated to the Campaign for their own personal benefit.

Manner and Means of the Conspiracy

12. Defendant JESSE L. JACKSON, JR., Co-Conspirator 1, and others used the following manner and means, among others, to accomplish the objects and goal of the conspiracy:

a. Defendant JESSE L. JACKSON, JR., made direct expenditures from the Campaign's accounts for personal expenses, totaling approximately \$57,792.83. In making these expenditures, Defendant JESSE L. JACKSON, JR., caused deliveries by private and commercial interstate carriers, and caused interstate wire communications to occur.

b. Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1 used credit cards issued to the Campaign to make purchases for personal expenses and directed that funds from the Campaign be used to pay the credit card bills for these purchases, totaling approximately \$582,772.58. In making these expenditures, Defendant JESSE L. JACKSON, JR., caused deliveries by private and commercial interstate carriers, and caused interstate wire communications to occur.

c. Defendant JESSE L. JACKSON, JR., provided Co-Conspirator 1 and Person A with funds from the Campaign, totaling approximately \$112,150.39, solely for the purpose of having these individuals engage in transactions that personally benefitted Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1.

d. Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1, in an attempt to conceal their conversion of approximately \$750,000 from the Campaign for their personal benefit, willfully and knowingly made and caused to be made, false reports with the FEC, knowing these reports to contain materially false, fictitious, and fraudulent statements. Specifically, the reports failed to reflect: i) that funds from the Campaign were spent on personal expenses; and ii) that Person A was being provided with funds from the Campaign solely for the purpose of having Person A engage in transactions that personally benefitted Defendant and Co-Conspirator 1. These reports were filed with the FEC by Co-Conspirator 1, Person A, and Person B at the direction of Defendant JESSE L. JACKSON, JR. and Co-Conspirator 1.

e. Defendant JESSE L. JACKSON, JR., in an attempt to conceal his and Co-Conspirator 1's conversion of approximately \$750,000 from the Campaign for their personal benefit and their receipt of approximately \$28,500 in undisclosed gifts and loans, willfully and knowingly made and caused to be made, false statements to the United States House of Representatives, knowing these reports to contain materially false, fictitious, and fraudulent statements. Specifically, the reports failed to reflect: i) that funds from the Campaign were spent on personal expenses; ii) that Person A was being provided with funds from the Campaign solely for the purpose of having Person A engage in transactions that personally benefitted Defendant

JESSE L. JACKSON, JR., and Co-Conspirator 1; and iii) that Person E and Person F paid debts owed by Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1.

**OVERT ACTS**

13. Within the District of Columbia and elsewhere, in furtherance of the above-described conspiracy and in order to carry out the objects thereof, Defendant JESSE L. JACKSON, JR., Co-Conspirator 1, and others committed the following overt acts, among others:

*Direct Expenditure*

a. On or about July 9, 2007, Defendant JESSE L. JACKSON, JR., caused a \$43,350 gold-plated, men's Rolex watch Defendant JESSE L. JACKSON, JR., purchased with Campaign funds to be shipped from Chicago, Illinois, to Defendant JESSE L. JACKSON, JR.'s Washington, D.C., address, using an interstate carrier.

*Campaign Credit Card*

b. On or about July 25, 2008, Defendant JESSE L. JACKSON, JR., caused \$9,587.64 worth of children's furniture Defendant JESSE L. JACKSON, JR., purchased with Campaign funds to be shipped from New Jersey to Defendant JESSE L. JACKSON, JR.'s Washington, D.C., home, using an interstate carrier.

c. On or about November 14, 2009, Co-Conspirator 1 caused \$5,150 worth of fur capes and parkas Co-Conspirator 1 purchased with Campaign funds to be shipped from Beverly Hills, California, to Co-Conspirator 1's Washington, D.C. home, using an interstate carrier.

*Funneling Funds Through A Third Party*

d. On or about March 4, 2009, Defendant JESSE L. JACKSON, JR., directed Person A to issue Person A a check for \$4,000 for work that Person A had performed on behalf of the Campaign. Person A, though, had not performed work that would have entitled Person A to receive \$4,000 from the Campaign on March 4, 2009. This \$4,000 check was endorsed by Person A and deposited into Person A's account at a bank located within Washington, D.C. By depositing this check, Person A caused an electronic communication to be sent from Washington, D.C., to Virginia, as this communication was a standard component of clearing a check at Person A's bank.

e. On or about March 4, 2009, Person A, at Defendant JESSE L. JACKSON, JR.'s direction, issued a check for \$3,500 to Defendant JESSE L. JACKSON, JR., using the funds Person A received from the Campaign.

*False FEC Filing*

f. On or about May 29, 2008, Person A, relying on information provided to Person A by Defendant JESSE L. JACKSON, JR., reported that the Campaign spent \$1,553.09 on January 22, 2008, at a Chicago Museum for "room rental-fundraiser." In truth and in fact, Defendant JESSE L. JACKSON, JR., spent these funds to purchase porcelain collector's items.

*False Filing with the United States House of Representatives*

g. On or about April 25, 2011, Person F issued a check for \$25,000 from a corporate account Person F controlled to pay down a balance on one of the personal credit cards of Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1.

h. On or about May 15, 2012, Defendant JESSE L. JACKSON, JR., caused his financial disclosure statement to be filed with the Office of the Clerk of the United States House of Representatives. The statement failed to reflect the \$25,000 payment Person F made on behalf of Defendant JESSE L. JACKSON, JR. This omission was willfully and knowingly made by Defendant JESSE L. JACKSON, JR.

14. As a result of the conspiracy described above, Defendant JESSE L. JACKSON, JR., willingly and knowingly, used approximately \$750,000 from the Campaign's accounts for personal expenses that benefitted Defendant JESSE L. JACKSON, JR., and Co-Conspirator 1.

**(Conspiracy to Commit False Statements, Mail Fraud, and Wire Fraud, in violation of Title 18, United States Code, Sections 371, 1001, 1341, and 1343.)**

### **FORFEITURE ALLEGATION**

1. Upon conviction of the offense alleged in Count 1, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to this offense, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c). The property subject to forfeiture includes:

- a. A money judgment in the amount of \$750,000; and
- b. The specific property listed below:

The following items, purchased from Antiquities of Nevada:

<b>Item No.</b>	<b>Description</b>	<b>Purchase Date</b>	<b>Purchase Price</b>
9348	Bruce Lee Memorabilia	8/28/07	\$2,000
9527	Bruce Lee Memorabilia	8/28/07	\$2,000
12087	Bruce Lee Memorabilia	6/10/08	\$3,150



<b>Item No.</b>	<b>Description</b>	<b>Purchase Date</b>	<b>Purchase Price</b>
12498	Martin Luther King, Jr. Memorabilia	8/14/08	\$5,595
7915	Bruce Lee Memorabilia	8/14/08	\$2,955
12498	Martin Luther King, Jr. Memorabilia	9/23/08	\$5,535
12850	Football signed by American Presidents	2/12/09	\$5,000
14108	Michael Jackson Memorabilia	8/15/09	\$2,000
14110	Michael Jackson Memorabilia	8/15/09	\$4,600
14117	Michael Jackson Memorabilia	8/15/09	\$1,400
14017	Michael Jackson Memorabilia	8/15/09	\$2,000
14025	Michael Jackson Memorabilia	8/15/09	\$1,000
14106	Michael Jackson Memorabilia	8/15/09	\$1,200
14085	Michael Jackson Memorabilia	8/15/09	\$1,000
14227	Michael Jackson Memorabilia	8/15/09	\$1,000
558	Michael Jackson Hat	11/4/09	\$3,900
14123	Michael Jackson and Eddie Van Halen Guitar	11/10/09	\$4,000
14688	Malcom X Memorabilia	2/8/10	\$2,200
5882	Jimi Hendrix Memorabilia	3/13/10	\$2,775
14043	Michael Jackson Fedora	3/20/10	\$4,600

The following items, purchased from Edwards Lowell Furrier and Fur Shop:

<b>Item No.</b>	<b>Description</b>	<b>Purchase Date</b>	<b>Purchase Price</b>
7063	Mink Cashmere Cape	11/14/09	\$800
53032	Black and Red Cashmere Cape	11/14/09	\$1,500
6477	Mink Reversible Parka	11/14/09	\$1,200

Item No.	Description	Purchase Date	Purchase Price
1500	Black Fox Reversible	11/14/09	\$1,500

2. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be divided without difficulty;

the defendant shall forfeit to the United States any other property of the defendant, up to the value of the property described above, pursuant to 21 U.S.C. § 853(p).

**(Criminal Forfeiture, pursuant to Title 18, United States Code, Section 981(a)(1)(c), Title 28 United States Code, Section 2461(c), and Title 21, United States Code, Section 853(p))**

RONALD C. MACHEN JR.  
United States Attorney  
Bar No. 447889

By:



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U.S. Department of Justice

Ronald C. Machen Jr.  
United States Attorney

*District of Columbia*

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*Judiciary Center  
555 Fourth St., N.W.  
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January 28, 2013

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CR13-58-RLW

Re: Jesse L. Jackson, Jr.

Dear Counsel:

This letter sets forth the full and complete plea offer to your client, Jesse L. Jackson, Jr. (hereinafter referred to as "your client" or "defendant"), from the Office of the United States Attorney for the District of Columbia (hereinafter also referred to as "the Government" or "this Office"). **This plea offer expires on February 1, 2013.** If your client accepts the terms and conditions of this offer, please have your client execute this document in the space provided below. Upon receipt of the executed document, this letter will become the Plea Agreement. The terms of the offer are as follows:

1. **Charges and Statutory Penalties**

Your client agrees to plead guilty to a criminal Information, a copy of which is attached, charging him with Conspiracy to Commit Wire Fraud, Mail Fraud, and False Statements, in violation of 18 U.S.C. § 371.

Your client understands that a violation of 18 U.S.C. § 371 carries a maximum sentence of 5 years of imprisonment; a fine of \$250,000 or twice the pecuniary gain or loss, pursuant to 18 U.S.C. § 3571(b)(3) & (d); a term of supervised release of not more than 3 years, pursuant to 18 U.S.C. § 3583(b)(2); an order of restitution under 18 U.S.C. § 3663A; and an obligation to pay any applicable interest or penalties on fines and restitution not timely made.

In addition, your client agrees to pay a special assessment of \$100 per felony conviction to the Clerk of the United States District Court for the District of Columbia prior to the date of sentencing. Your client also understands that, pursuant to 18 U.S.C. § 3572 and § 5E1.2 of the

United States Sentencing Guidelines, the Court may also impose a fine that is sufficient to pay the federal government the costs of any imprisonment, term of supervised release, and period of probation. Further, your client understands that, if your client has two or more convictions for a crime of violence or felony drug offense, your client may be subject to the substantially higher guideline penalties provided for in the career-offender statutes and provisions of the Sentencing Guidelines.

2. **Factual Stipulations**

Your client agrees that the attached “Statement of the Offense” fairly and accurately describes your client’s actions and involvement in the offenses to which your client is pleading guilty. It is anticipated that, prior to or during the plea hearing, your client will adopt and sign the Statement of the Offense as a written proffer of evidence.

3. **Additional Charges**

In consideration of your client’s plea to the above offense, your client will not be further prosecuted criminally by this Office for the conduct set forth in the attached Statement of the Offense. Your client agrees that, with respect to any and all dismissed charges, your client is not a “prevailing party” within the meaning of the “Hyde Amendment,” § 617, P.L. 105-119, Title VI (Nov. 26, 1997), and will not file any claim under that law.

4. **Sentencing Guidelines Stipulations**

Your client understands that the sentence in this case will be determined by the Court, pursuant to the factors set forth in 18 U.S.C. § 3553(a), including a consideration of the applicable guidelines and policies promulgated by the United States Sentencing Commission, *Guidelines Manual* (hereinafter “Sentencing Guidelines” or “U.S.S.G.”). Pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B), and to assist the Court in determining the appropriate sentence, the parties stipulate to the following:

**A. Offense Level Under the Guidelines**

The parties agree that the following Sentencing Guidelines sections apply:

§ 2B1.1(a)(2)	Base Offense Level	6
§ 2B1.1(b)(1)(H)	Loss of More than \$400,000	14
§ 2B1.1(b)(9)(A)	Misrepresentation (Political)	2
§ 3B1.1(c)	Organizer/Leader - Other	2
§ 3B1.3	Abuse of Trust	<u>+2</u>
Total		26

The Government agrees that a 2-level reduction will be appropriate, pursuant to U.S.S.G. § 3E1.1, provided that your client clearly demonstrates acceptance of responsibility, to the satisfaction of the Government, through your client's allocution, adherence to every provision of this Agreement, and conduct between entry of the plea and imposition of sentence. Furthermore, assuming your client has accepted responsibility as described in the previous sentence, the Government agrees that an additional 1-level reduction will be appropriate, pursuant to U.S.S.G. § 3E1.1(b), because your client has assisted authorities by providing timely notice of your client's intention to enter a plea of guilty, thereby permitting the Government to avoid preparing for trial and permitting the Court to allocate its resources efficiently.

Nothing in this Plea Agreement limits the right of the Government to seek denial of the adjustment for acceptance of responsibility, pursuant to U.S.S.G. § 3E1.1, and/or imposition of an adjustment for obstruction of justice, pursuant to U.S.S.G. § 3C1.1, regardless of any stipulation set forth above, should your client move to withdraw his guilty plea after it is entered, or should it be determined by the Government that your client has either (a) engaged in conduct, unknown to the Government at the time of the signing of this Plea Agreement, that constitutes obstruction of justice, or (b) engaged in additional criminal conduct after signing this Plea Agreement.

In accordance with the above, the parties agree that the applicable Guidelines Offense Level is 23.

**B. Criminal History Category**

Based upon the information now available to this Office (including representations by the defense), your client's Criminal History Category is estimated to be I.

**C. Applicable Guidelines Range**

Based upon the calculation set forth above, your client's stipulated Sentencing Guidelines range is 46 months to 57 months (the "Stipulated Guidelines Range"). In addition, the parties agree that, should the Court impose a fine, at Guidelines level 23, the applicable fine range is \$10,000 to \$100,000.

The parties agree that, solely for the purposes of calculating the applicable range under the Sentencing Guidelines, neither a downward nor upward departure from the Stipulated Guidelines Range set forth above is warranted. Accordingly, neither party will seek any departure or adjustment to the Stipulated Guidelines Range, nor will either party suggest that the Court consider such a departure or adjustment, except as provided infra.

Your client understands and acknowledges that the terms of this section apply only to conduct that occurred before the execution of this Plea Agreement. Should your client commit any conduct after the execution of this Plea Agreement that would form the basis for an increase in your client's base offense level or justify an upward departure (examples of which include, but are not

limited to, obstruction of justice, failure to appear for a court proceeding, criminal conduct while pending sentencing, and false statements to law enforcement agents, the probation officer, or Court), the Government is free under this Plea Agreement to seek an increase in the base offense level based on that post-agreement conduct.

5. **Agreement as to Sentencing Allocation**

The parties further agree that a sentence within the Stipulated Guidelines Range would constitute a reasonable sentence in light of all of the factors set forth in 18 U.S.C. § 3553(a). However, your client reserves the right to seek a sentence below the Stipulated Guidelines Range based upon factors to be considered in imposing a sentence pursuant to 18 U.S.C. § 3553(a).

6. **Reservation of Allocation**

Your client understands that this Office reserves its full right of allocation for purposes of sentencing in this matter. In particular, the United States reserves its right to recommend a specific period of incarceration and fine up to the maximum incarceration and fine allowable by law. In addition, if in this plea agreement the Government has agreed to recommend or refrain from recommending to the Court a particular resolution of any sentencing issue, the Government reserves its right to full allocation in any post-sentence litigation in order to defend the Court's ultimate decision on such issues. Your client further understands that the Government retains its full right of allocation in connection with any post-sentence motion which may be filed in this matter and/or any proceeding(s) before the Bureau of Prisons.

7. **Court Not Bound by the Plea Agreement or the Sentencing Guidelines**

Your client understands that the sentence in this case will be imposed in accordance with 18 U.S.C. § 3553(a), upon consideration of the Sentencing Guidelines. Your client further understands that the sentence to be imposed is a matter solely within the discretion of the Court. Your client acknowledges that the Court is not obligated to follow any recommendation of the Government at the time of sentencing. Your client understands that neither the Government's recommendation nor the Sentencing Guidelines are binding on the Court. In the event that the Court considers any Sentencing Guidelines adjustments, departures, or calculations different from any stipulations contained in this Agreement, or contemplates a sentence outside the Guidelines range based upon the general sentencing factors listed in 18 U.S.C. § 3553(a), the parties reserve the right to answer any related inquiries from the Court.

Your client acknowledges that your client's entry of a guilty plea to the charged offense authorizes the sentencing court to impose any sentence, up to and including the statutory maximum sentence, which may be greater than the applicable Guidelines range. The Government cannot, and does not, make any promise or representation as to what sentence your client will receive. Moreover, it is understood that your client will have no right to withdraw your client's plea of guilty should the

Court impose a sentence that is outside the Guidelines range or if the Court does not follow the Government's sentencing recommendation.

8. **Conditions of Release**

Your client acknowledges that, although the Government will not seek a change in your client's release conditions pending sentencing, the final decision regarding your client's bond status or detention will be made by the Court at the time of your client's plea of guilty. The Government may move to change your client's conditions of release, including requesting that your client be detained pending sentencing, if your client engages in further criminal conduct prior to sentencing or if the Government obtains information that it did not possess at the time of your client's plea of guilty and that is relevant to whether your client is likely to flee or pose a danger to any person or the community.

9. **Waiver of Rights**

Your client understands that by pleading guilty in this case he agrees to waive certain rights afforded by the Constitution of the United States and/or by statute or rule. Your client agrees to forego the right to any further discovery or disclosures of information not already provided at the time of the entry of your client's guilty plea. Your client also agrees to waive, among other rights, the right to be indicted by a Grand Jury, the right to plead not guilty, and the right to a jury trial. At trial, your client would have the right to be represented by counsel, to confront and cross-examine witnesses against him, to compel witnesses to appear for the purpose of testifying and presenting other evidence on your client's behalf, and to choose whether to testify himself. If your client chose not to testify at a jury trial, your client would have the right to have the jury instructed that his failure to testify could not be held against him. Your client would further have the right to have the jury instructed that your client is presumed innocent until proven guilty, and that the burden would be on the United States to prove his guilt beyond a reasonable doubt. If your client was found guilty after a trial, your client would have the right to appeal his conviction. Your client understands that the Fifth Amendment to the Constitution of the United States protects your client from the use of self-incriminating statements in a criminal prosecution. By entering a plea of guilty, your client knowingly and voluntarily waives or gives up his right against self-incrimination.

Your client also knowingly and voluntarily waives or gives up all constitutional and statutory rights to a speedy sentence and agrees that the plea of guilty pursuant to this agreement will be entered at a time decided upon by the Government with the concurrence of the Court. Your client understands that the date for sentencing will be set by the Court.

10. **Restitution**

Your client agrees to pay restitution, if any, in an amount to be determined by the Court. 18 U.S.C. §§ 3663, 3663A. Payments of restitution shall be made to the Clerk of the Court. Your client agrees that he will submit a completed financial statement to the U.S. Attorney's Office, in a form

it provides and as it directs. Your client promises that his financial statement and disclosures will be complete, accurate, and truthful.

Your client expressly authorizes the U.S. Attorney's Office to obtain a credit report on him in order to evaluate your client's ability to satisfy any financial obligations imposed by the Court or agreed to herein.

Your client understands and agrees that the restitution or fines imposed by the Court will be due and payable immediately and subject to immediate enforcement by the United States. If the Court imposes a schedule of payments, your client understands that the schedule of payments is merely a minimum schedule of payments and will not be the only method, nor a limitation on the methods, available to the United States to enforce the criminal judgment. If your client is sentenced to a term of imprisonment by the Court, your client agrees to participate in the Bureau of Prisons' Inmate Financial Responsibility Program, regardless of whether the Court specifically directs the participation or imposes a schedule of payments.

Your client certifies that he has made no transfer of assets in contemplation of this prosecution for the purpose of evading or defeating financial obligations that may be imposed upon him by the Court. In addition, your client promises that he will make no such transfers in the future until he has fulfilled the financial obligations under this agreement.

11. **Forfeiture**

Your client agrees to the forfeiture set forth in the Forfeiture Allegation in the Information to which he is pleading guilty. Your client shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense to which he is pleading guilty, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c). Your client agrees that the government may choose in its sole discretion how it wishes to accomplish forfeiture of the property whose forfeiture he has consented to in this plea agreement, whether by criminal or civil forfeiture, using judicial or non-judicial forfeiture processes. The property subject to forfeiture includes a money judgment in the amount of \$750,000. Your client will be jointly and severally liable for the money judgment with any co-conspirators convicted of participating in the offense to which he is pleading guilty. Your client agrees to the forfeiture of the specific assets listed below, as set forth in the Forfeiture Allegation in the Information to which he is pleading guilty:



The following items, purchased from Antiquities of Nevada:

<b>Item No.</b>	<b>Description</b>	<b>Purchase Date</b>	<b>Purchase Price</b>
9348	Bruce Lee Memorabilia	8/28/07	\$2,000
9527	Bruce Lee Memorabilia	8/28/07	\$2,000
12087	Bruce Lee Memorabilia	6/10/08	\$3,150
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14085	Michael Jackson Memorabilia	8/15/09	\$1,000
14227	Michael Jackson Memorabilia	8/15/09	\$1,000
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14688	Malcom X Memorabilia	2/8/10	\$2,200
5882	Jimi Hendrix Memorabilia	3/13/10	\$2,775
14043	Michael Jackson Fedora	3/20/10	\$4,600

The following items, purchased from Edwards Lowell Furrier and Fur Shop:

Item No.	Description	Purchase Date	Purchase Price
7063	Mink Cashmere Cape	11/14/09	\$800
53032	Black and Red Cashmere Cape	11/14/09	\$1,500
6477	Mink Reversible Parka	11/14/09	\$1,200
1500	Black Fox Reversible	11/14/09	\$1,500

The United States agrees that the net value (amount obtained by sale of the item, minus any costs incurred in seizing, storing, and disposing of such property) of any of your client's assets forfeited to the United States will be credited towards the money judgment. In the event that the value of any specific property declared forfeited to the United States is determined to be minimal, such that it is not in the interest of the United States to dispose of the property through sale, the defendant consents to the destruction of such property by a law enforcement agency. Any property disposed of through destruction will not be credited towards the money judgment.

Your client acknowledges that the government can seek to forfeit substitute property of your client under 21 U.S.C. § 853(p) in order to satisfy the money judgment. Your client agrees and stipulates that there is a factual basis to forfeit substitute property under section 853(p)(1)(B). Your client admits that during and after the course of the conspiracy to which he is pleading guilty, he transferred, sold, or deposited with a third party assets he had purchased using proceeds of this offense. Your client consents to the forfeiture of any of your client's property not specifically listed in this plea agreement up to the value of the balance on the money judgment.

Your client agrees that the proffer of evidence supporting your client's guilty plea is sufficient evidence to support this forfeiture. Your client agrees that the Court shall enter a Consent Order of Forfeiture at the time of his guilty plea. Your client waives the provisions of (a) Federal Rule of Criminal Procedure 11(b)(1)(J) regarding discussion of forfeiture during the plea colloquy; and (b) Federal Rule of Criminal Procedure 32.2(b)(4)(B) regarding notice of the forfeiture and inclusion in the judgment.

Your client agrees to take all necessary actions to identify all assets over which your client exercises or exercised control, directly or indirectly, at any time since August 2005, or in which your client has or had during that time any financial interest. This includes all retirement, investment, and trust accounts. Your client will complete and provide to the undersigned Assistant United States Attorneys a standard financial disclosure form, which has been provided to you with this plea agreement, within 10 days of the execution of this plea agreement. Your client agrees to take all steps as requested by the Government to obtain from any other parties by any lawful means any records of assets owned at any time by your client. Your client agrees to

provide and/or consent to the release of your client's tax returns for the previous eight years. Your client agrees to take all steps as requested by the Government to pass clear title to forfeitable interests or to property to the United States and to testify truthfully in any judicial forfeiture proceeding. Your client consents to the United States conducting discovery under Federal Rule of Criminal Procedure 32.2(b)(3) for the purpose of identifying, locating, and disposing of property subject to forfeiture.

Your client agrees to waive all constitutional and statutory challenges in any manner (including, but not limited to, direct appeal) to any forfeiture carried out in accordance with this plea agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment.

The United States Attorney's Office agrees to make a non-binding recommendation to the Asset Forfeiture and Money Laundering Section at the Department of Justice that any monies obtained from the defendant through forfeiture be distributed to the victims of the offense and credited against any restitution order entered in this case.

12. **Breach of Agreement**

Your client understands and agrees that if, after entering this Plea Agreement, your client fails specifically to perform or to fulfill completely each and every one of your client's obligations under this Plea Agreement, or engages in any criminal activity prior to sentencing, your client will have breached this Plea Agreement. In the event of such a breach: (a) the Government will be free from its obligations under the Agreement; (b) your client will not have the right to withdraw the guilty plea; (c) your client shall be fully subject to criminal prosecution for any other crimes, including perjury and obstruction of justice; and (d) the Government will be free to use against your client, directly and indirectly, in any criminal or civil proceeding, all statements made by your client and any of the information or materials provided by your client, including such statements, information and materials provided pursuant to this Agreement or during the course of any debriefings conducted in anticipation of, or after entry of, this Agreement, whether or not the debriefings were previously characterized as "off the record" debriefings, and including your client's statements made during proceedings before the Court pursuant to Rule 11 of the Federal Rules of Criminal Procedure.

Your client acknowledges discussing with you Rule 11(f) of the Federal Rules of Criminal Procedure and Rule 410 of the Federal Rules of Evidence, which ordinarily limit the admissibility of statements made by a defendant in the course of plea discussions or plea proceedings if a guilty plea is later withdrawn. Your client knowingly and voluntarily waives the rights that arise under these rules in the event your client withdraws his guilty plea.

Your client understands and agrees that the Government shall only be required to prove a breach of this Plea Agreement by a preponderance of the evidence. Your client further understands and agrees that the Government need only prove a violation of federal, state, or local

criminal law by probable cause in order to establish a breach of this Plea Agreement.

Nothing in this Agreement shall be construed to permit your client to commit perjury, to make false statements or declarations, to obstruct justice, or to protect your client from prosecution for any crimes not included within this Agreement or committed by your client after the execution of this Agreement. Your client understands and agrees that the Government reserves the right to prosecute your client for any such offenses. Your client further understands that any perjury, false statements or declarations, or obstruction of justice relating to your client's obligations under this Agreement shall constitute a breach of this Agreement. However, in the event of such a breach, your client will not be allowed to withdraw this guilty plea.

13. **Waiver of Statute of Limitations**

It is further agreed that, should the conviction following your client's plea of guilty pursuant to this Agreement be vacated for any reason, any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement (including any counts that the Government has agreed not to prosecute or to dismiss at sentencing pursuant to this Agreement) may be commenced or reinstated against your client, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement or reinstatement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

14. **Waiver of Appeal**

Your client understands that federal law, specifically 18 U.S.C. § 3742, affords defendants the right to appeal their sentences in certain circumstances. Your client agrees to waive the right to appeal the sentence in this case, or the manner in which it was determined, except to the extent that (a) the Court sentences your client to a period of imprisonment longer than the statutory maximum, or (b) the Court departs upward from the applicable Sentencing Guideline range pursuant to the provisions of U.S.S.G. § 5K2.0, or based on a consideration of the sentencing factors set forth in 18 U.S.C. § 3553(a). In agreeing to this waiver, your client is aware that your client's sentence has yet to be determined by the Court. Realizing the uncertainty in estimating what sentence the Court ultimately will impose, your client knowingly and willingly waives your client's right to appeal the sentence, to the extent noted above, in exchange for the concessions made by the Government in this Plea Agreement. Your client reserves the right to make a collateral attack upon your client's sentence, pursuant to 28 U.S.C. § 2255, if new and currently unavailable information becomes known to him.

15. **Use of Self-Incriminating Information**

The Government and your client agree, in accordance with Section 1B1.8 of the Sentencing Guidelines, that the Government will be free to use against your client for any

purpose at the sentencing in this case or in any related criminal or civil proceedings, any self-incriminating information provided by your client pursuant to this agreement or during the course of debriefings conducted in anticipation of this agreement, regardless of whether those debriefings were previously covered by an "off the record" agreement by the parties.

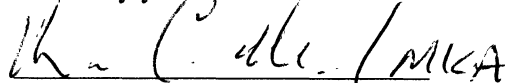
16. **Complete Agreement**

No agreements, promises, understandings, or representations have been made by the parties or their counsel other than those contained in writing herein, nor will any such agreements, promises, understandings, or representations be made unless committed to writing and signed by your client, defense counsel, and an Assistant United States Attorney for the District of Columbia.

Your client further understands that this Agreement is binding only upon the Criminal and Superior Court Divisions of the United States Attorney's Office for the District of Columbia. This Agreement does not bind the Civil Division of this Office or any other United States Attorney's Office, nor does it bind any other state, local, or federal prosecutor. It also does not bar or compromise any civil, tax, or administrative claim pending or that may be made against your client.

If the foregoing terms and conditions are satisfactory, your client may so indicate by signing the Agreement in the space indicated below and returning the original to me once it has been signed by your client and by you or other defense counsel.

Sincerely yours,



RONALD C. MACHEN JR.

United States Attorney

D.C. Bar No. 498-610

By: 

MATT GRAVES

MICHAEL ATKINSON

Bar No. DC - 481052 (Graves)

Bar No. DC - 430517 (Atkinson)

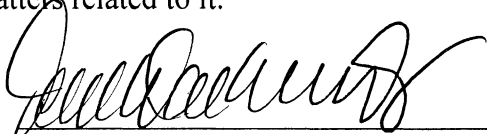
Assistant United States Attorneys

DEFENDANT'S ACCEPTANCE

I have read this Plea Agreement and have discussed it with my attorneys, Reid H. Weingarten and Brian M. Heberlig. I fully understand this Agreement and agree to it without reservation. I do this voluntarily and of my own free will, intending to be legally bound. No threats have been made to me nor am I under the influence of anything that could impede my ability to understand this Agreement fully. I am pleading guilty because I am in fact guilty of the offense identified in this Agreement.

I reaffirm that absolutely no promises, agreements, understandings, or conditions have been made or entered into in connection with my decision to plead guilty except those set forth in this Plea Agreement. I am satisfied with the legal services provided by my attorney in connection with this Plea Agreement and matters related to it.

Date: 2 - 20 - 13

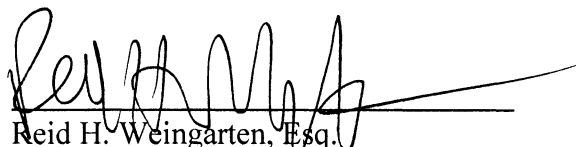


Jesse L. Jackson, Jr.  
Defendant

ATTORNEY'S ACKNOWLEDGMENT

I have read each of the pages constituting this Plea Agreement, reviewed them with my client, Jesse L. Jackson, Jr., and fully discussed the provisions of the Agreement with my client. These pages accurately and completely set forth the entire Plea Agreement. I concur in my client's desire to plead guilty as set forth in this Agreement.

Date: 2 - 20 - 13



Reid H. Weingarten, Esq.  
Attorney for the Defendant

Date: 2 - 20 - 13



Brian M. Heberlig, Esq.  
Attorney for the Defendant

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA

:  
:  
:  
:  
:

CRIMINAL NO.

13 CR-58-RLW

v.

JESSE L. JACKSON, JR.

STATEMENT OF THE OFFENSE

1. Had this case proceeded to trial, the government would have shown beyond a reasonable doubt, the following facts:

INTRODUCTION

2. At all relevant times, the defendant, Jesse L. Jackson, Jr. ("Defendant"), served as a Congressman in the United States House of Representatives, representing Illinois's 2<sup>nd</sup> Congressional District. Defendant maintained a home in Chicago, Illinois, within the 2<sup>nd</sup> Congressional District, and a home near the Dupont Circle and Georgetown neighborhoods of Washington, D.C.

3. From at least in or about 2008 to in or about November 2012, Co-Conspirator 1 served as a consultant to Defendant's re-election campaigns. Starting in 2011, Co-Conspirator 1 also started functioning as the campaign manager for the campaigns to re-elect Defendant. From in or about January 2005 to in or about November 2006, Co-Conspirator 1 served as treasurer of Defendant's re-election campaigns.

4. At all relevant times, Person A took part in preparing the forms the Defendant's re-election campaigns filed with the Federal Election Commission ("FEC"). From in or about January 2005 through in or about November 2006, Person A was the assistant treasurer of Defendant's re-election campaigns and assisted Co-Conspirator 1 in preparing the FEC filings.

From in or about January 2007 through in or about June 2008, Person A officially served as the treasurer of Defendant's re-election campaigns. After June 2008, Person A ceased serving as treasurer of Defendant's re-election campaigns, but continued to assemble FEC filings for the signature of the new treasurer. From in or around June 2008 to the present, Person A was also a staff member for Defendant, working in his Washington, D.C., Congressional Office.

5. Person B served as the treasurer of Defendant's re-election campaigns from in or about July 2008 through in or about July 2012 and signed the forms prepared by Person A.

6. At all relevant times, Person C was a staff member for Defendant, working in his district office in the 2<sup>nd</sup> Congressional District.

7. At all relevant times, Person D was president and chief operating officer of an Illinois-based company.

8. At all relevant times, Person E was the owner of an Illinois-based consulting firm.

9. At all relevant times, Person F was the owner of an Alabama-based company.

10. Each candidate for federal office must form a principal campaign committee. Once designated, a principal campaign committee can establish and utilize bank accounts for the purpose of managing the finances of the campaign. At all relevant times, Defendant's principal campaign committee was "Jesse Jackson Jr for Congress"<sup>1</sup> ("the Campaign").

#### CONDUCT

11. From in or about August 2005 through in or about April 2012, Defendant and Co-Conspirator 1 conspired to defraud the Campaign of approximately \$750,000. Rather than using funds donated to the Campaign as they were intended to be used—to pay for the legitimate

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<sup>1</sup> On or about January 14, 2010, a comma and a period were added to the name of the principal campaign committee: "Jesse Jackson, Jr. for Congress." In all other respects, the name of the principal campaign committee remained the same.



expenses associated with Defendant's re-election—Defendant and Co-Conspirator 1 used a substantial portion of the contributed funds for personal expenditures. The Defendant and Co-Conspirator 1 obtained these funds in three different ways: a) Defendant made direct expenditures from his Campaign accounts for personal expenses; b) Defendant and Co-Conspirator 1 routinely used Campaign credit cards to make purchases for personal expenses and directed that Campaign funds be used to pay the credit card bills for those purchases; and c) Defendant provided Co-Conspirator 1 and Person A with Campaign funds so that they, in turn, could engage in transactions that personally benefitted Defendant and Co-Conspirator 1. Defendant and Co-Conspirator 1 used interstate carriers and interstate wires in furtherance of this fraudulent scheme.

12. Throughout the relevant period, Defendant solicited donors to contribute to the Campaign. Defendant never disclosed to potential donors that he had already used a substantial portion of the funds contributed to the Campaign for the personal benefit of him and Co-Conspirator 1, nor did he disclose that he intended to use a substantial portion of any new Campaign contributions for the personal benefit of him and Co-Conspirator 1.

13. As part of this conspiracy, Defendant and Co-Conspirator 1 took steps to ensure that, between in or about August 2005 and in or about July 2012, materially false and misleading reports were filed with government entities. First, Defendant and Co-Conspirator 1 directed that materially false and misleading reports be filed with the FEC. Campaigns are required to periodically file reports with the FEC reflecting contributions received and expenditures made during the reporting period. Federal law specifically prohibits campaigns from simply reporting as an expenditure the total amount spent on campaign credit cards. Instead, campaigns are responsible for reviewing credit card statements and itemizing—that is, individually reporting:

i) each expenditure that exceeds \$200; and ii) all expenditures made to a particular vendor, if the combined expenditures with that vendor during an election cycle exceed \$200. Defendant and Co-Conspirator 1, on numerous occasions, directed Person A not to itemize the personal expenditures made on the Campaign credit cards. On other occasions, Defendant and Co-Conspirator 1 knowingly and intentionally provided Person A with false justifications for the expenditures, causing Person A, in turn, to prepare false reports for submission to the FEC.

14. Second, Defendant filed materially false and misleading reports with the United States House of Representatives. As a Member of the United States House of Representatives, Defendant was required annually to file a United States House of Representatives Financial Disclosure Statement. This form called for Defendant to disclose all earned and unearned income that he received totaling \$200 or more and gifts in the aggregate worth more than “minimal value”—a value to be determined on a periodic basis by the Administrator of General Services—from individuals other than relatives. Minimal value is currently defined as a retail value in the United States at the time of acceptance of \$350 or less. Defendant failed to report any of the funds that he and Co-Conspirator 1 obtained by defrauding the Campaign. In addition, Defendant failed to report that he was the beneficiary of a number of undisclosed expenditures that third parties made on his and Co-Conspirator 1’s behalf.

15. The materially false and misleading reports and forms filed with the FEC and the United States House of Representatives were an essential component of the conspiracy, as they enabled the conspiracy to continue without detection for a lengthy period of time and without the questions from regulators or the general public that likely would have ensued had truthful and accurate reports and forms been filed.

***Defendant's Direct Expenditures From His Campaign Account for Personal Expenses***

16. In or about January 2006, Defendant personally opened an account at a national bank. The name on the account was "Jesse Jackson Jr. for Congress," and Defendant was the only person with signatory authority on the account.

17. On or about July 10, 2007, Defendant withdrew \$43,350.00 in Campaign funds from the account he created and used the funds to purchase an official check made payable to a jeweler to purchase a men's gold-plated Rolex watch from the jeweler.

18. On or about July 9, 2007, the jeweler from whom Defendant purchased the Rolex watch shipped it from Chicago to Defendant's Washington, D.C., address, using an interstate shipper.

19. From in or about September 2007 through in or about June 2011, Defendant used \$14,442.83 in Campaign funds to pay down balances on personal credit cards maintained by Defendant or Co-Conspirator 1. The balances on these cards reflected expenditures made for personal, not Campaign, purposes. These payments occurred on the following dates in the following amounts:

- September 13, 2007: \$2,000.00
- September 14, 2007: \$2,457.16
- October 12, 2007: \$4,355.49
- October 9, 2009: \$1,640.25
- December 24, 2009: \$1,271.16
- July 7, 2011: \$2,718.77

***Defendant's Campaign Credit Card Expenditures for Personal Items***

20. From at least August 2005 through April 2012, the Campaign maintained a credit card account entitled, "Jackson for Congress." Individual credit card members on the account included Defendant and Co-Conspirator 1.

21. For the period from in or about August 2005 through in or about April 2012, Defendant and Co-Conspirator 1 used the Campaign cards issued to them to purchase merchandise and services that were personal in nature. These expenditures included high-end electronic items, collector's items, clothing, food and supplies for daily consumption, movie tickets, health club dues, personal travel, and personal dining expenses. All of Co-Conspirator 1's expenditures occurred with Defendant's knowledge and consent, and, in many instances, Defendant personally benefited from Co-Conspirator 1's purchases. Examples of such charges on the Campaign credit card include:

<b>Date</b>	<b>Description</b>	<b>Amount</b>	<b>Card Member</b>
9/15/2005	Ford – Sales/Service/Repair	\$2,200.44	Co-Conspirator 1
6/3/2006	Navigator of The Sea – On Board Cruise Charges	\$4,272.78	Co-Conspirator 1
3/15/2007	Walt Disney World – Transportation Services	\$2,306.08	Co-Conspirator 1
11/20/2007	Best Buy	\$9,554.75	Defendant
11/24/2007	Best Buy	\$1,102.81	Defendant
11/30/2007	Best Buy	\$320.18	Defendant
12/23/2007	Build-a-Bear	\$243.62	Co-Conspirator 1
6/10/2008	Antiquities of Nevada	\$3,200.00	Defendant
6/11/2008	Mandarin Oriental - CityZen	\$466.30	Defendant
7/19/2008	All Children's Furniture	\$1,438.00	Defendant

7/24/2008	Ticketmaster	\$136.62	Co-Conspirator 1
7/28/2008	All Children's Furniture	\$8,149.64	Defendant
8/2/2008	ABT Electronics	\$15,120.55	Defendant
8/14/2008	Antiquities of Nevada	\$8,650.00	Defendant
8/24/2008	Mariel's Boutique	\$3,544.00	Co-Conspirator 1
9/23/2008	Antiquities of Nevada	\$5,595.00	Defendant
10/10/2008	Ticketmaster	\$299.00	Co-Conspirator 1
11/27/2008	Martha's Vineyard Holistic Retreat	\$5,687.75	Defendant
12/3/2008	Build-a-Bear	\$70.27	Defendant
12/23/2008	Costco	\$287.47	Co-Conspirator 1
2/12/2009	Antiquities of Nevada	\$5,150.00	Defendant
3/17/2009	Little Lamb Scholastic	\$3,627.00	Co-Conspirator 1
7/1/2009	Costco	\$327.07	Co-Conspirator 1
11/4/2009	Antiquities of Nevada	\$3,900.00	Defendant
11/14/2009	Edward Lowell Furrier	\$5,150.00	Defendant
2/8/2010	Antiquities of Nevada	\$2,245.00	Defendant
3/13/2010	Antiquities of Nevada	\$2,855.00	Defendant
6/13/2010	Costco	\$693.78	Co-Conspirator 1
6/14/2010	Costco	\$600.00	Co-Conspirator 1

22. Records from many of these merchants provide greater detail about the personal nature of the goods and services purchased with these Campaign funds:

- Records from Best Buy reveal that Defendant purchased multiple flat-screen televisions, multiple Blu-Ray DVD players, and numerous DVDs for his Washington, D.C., home;
- Records from Antiquities of Nevada reveal that Defendant purchased memorabilia related to Bruce Lee, Martin Luther King, Jr., Michael Jackson, Malcolm X, Jimmy

Hendrix, and American Presidents;

- Records from Mariel's Boutique reveal that Co-Conspirator 1 purchased dresses, jewelry, shoes, and accessories;
- Records from All Children's Furniture reveal that Defendant purchased children's bedroom furniture;
- Records from ABT Electronics reveal that Defendant and Co-Conspirator 1 purchased, among other items, a washer, a dryer, a range, and a refrigerator for their Chicago home; while Defendant's card was used to complete these transactions, Co-Conspirator 1 is listed on these records as the purchaser and the person to whom the items were to be shipped; Co-Conspirator 1's signature appears on the documents accepting delivery for a number of these items;
- Records from Mandarin Oriental's CityZen restaurant reflect that Defendant spent \$466.30 on a dinner for two; this dinner was personal in nature;
- Records from Build-a-Bear reflect that Defendant and Co-Conspirator 1 purchased stuffed animals and accessories for stuffed animals;
- Records from Costco reveal that Co-Conspirator 1 purchased, among other items, video games, undergarments, cleaning supplies, toilet paper, toothpaste, soap, children's vitamins, and food;
- Records from Martha's Vineyard Holistic Retreat reveal that Defendant purchased a five-day health retreat for a family member of Co-Conspirator 1; and
- Records from Edward Lowell Furrier reveal that Co-Conspirator 1 purchased fur capes and parkas.

23. A number of these items were shipped, using an interstate carrier, from outside Washington, D.C., to Defendant's home in Washington, D.C., including:

- At least one of the items purchased at Antiquities of Nevada;
- The children's furniture from All Children's Furniture (shipped on July 25, 2008, from New Jersey and delivered on August 15, 2008); and
- The fur coats and parkas from Edward Lowell Furrier (shipped on November 16, 2009, from Beverly Hills, California).

24. The examples provided in the table above are but a fraction of the personal expenditures that Defendant and Co-Conspirator 1 made. During the relevant period, Defendant

and Co-Conspirator 1 collectively made approximately 3100 purchases that were personal in nature. There are categories of expenditures into which a large number of these transactions can be placed. The categories, and the amounts associated with these categories, are as follows:

- Personal expenditures at restaurants, nightclubs, and lounges of approximately \$60,857.04;
- Personal airfare expenditures of approximately \$31,700.79;
- Personal expenditures at sports clubs and lounges of approximately \$16,058.91 (including maintaining a family membership at a gym, purchasing food at the gym, and parking at the gym);
- Personal expenditures at tobacco shops of approximately \$17,163.36;
- Personal expenditures for alcohol of approximately \$5,814.43;
- Personal expenditures for dry cleaning of approximately \$14,513.42;
- Personal expenditures at grocery stores of approximately \$8,046.44; and
- Personal expenditures at drug stores of approximately \$6,095.15.

25. The approximately 3100 personal purchases made on the Campaign credit cards total approximately \$582,772.58. In all instances, Campaign funds were used to pay the debt associated with these purchases.

***Defendant Directed Co-Conspirator 1 and Person A To Use Campaign Funds for His and Co-Conspirator 1's Benefit***

***Co-Conspirator 1***

26. On or about March 17, 2006, Defendant directed that a \$36,000 check be issued to Co-Conspirator 1's business for billboard expenses.

27. On or about March 24, 2006, Co-Conspirator 1 deposited the \$36,000 check into an account controlled by Co-Conspirator 1's business.

28. On or about March 31, 2006, Co-Conspirator 1 transferred the \$36,000 from the business account to a personal account that Defendant and Co-Conspirator 1 controlled. Neither

Defendant nor Co-Conspirator 1 had spent personal funds on behalf of the Campaign, such that they were entitled to a \$36,000 reimbursement.

29. From on or about April 3, 2006, through on or about April 4, 2006, Defendant and Co-Conspirator 1 used nearly all of the \$36,000 issued for billboard expenses to pay down personal debts.

*Person A*

30. From in or about October 2008 through in or about March 2012, the Campaign issued approximately \$76,150.39 in checks to Person A. Although most of these payments were disclosed in FEC filings, some were not. According to FEC filings by the Campaign, the disclosed payments to Person A were for clerical work, such as data entry, that Person A performed on behalf of the Campaign. In truth and in fact, Person A was entitled to only approximately \$11,409 for the work Person A performed on behalf of the Campaign. Person A expended nearly all of the remainder of the funds received from the Campaign for Defendant and Co-Conspirator 1's benefit. In all instances, Defendant determined: (i) which payments to Person A would be disclosed and which payments would not be disclosed; (ii) the amounts that Person A was to be paid; and (iii) the manner in which the excess funds paid to Person A would be spent.

31. In addition to these payments, Person A received \$19,000 in cash from Defendant. Defendant has represented that this \$19,000 in cash was given to him by family members. Person A deposited these funds in Person A's account. At Defendant's direction, Person A used the funds for the benefit of Defendant and Co-Conspirator 1.



Conduit Payments

32. Person A wrote checks to Defendant using payments Person A received from the Campaign. Person A, though, had not performed work that would have entitled Person A to the amounts reflected in these payments. Instead, Defendant instructed Person A to write checks from the Campaign account in these amounts so that Person A could have sufficient funds to issue Defendant checks in the amounts that he desired. The details of those transactions are as follows:

<b>Campaign to Person A (Posted Date)</b>	<b>Amount of Check</b>	<b>Person A to Defendant (Check Date)</b>	<b>Amount of Check</b>
10/14/2008	\$9,000 <sup>2</sup>	10/15/2008	\$6,500 <sup>3</sup>
3/4/2009	\$4,000	3/4/2009	\$3,500
8/1/2011	\$6,300	8/1/2011	\$4,000
3/22/2012	\$4,730.39 <sup>4</sup>	3/5/2012	\$1,700

33. Each of the four checks from the Campaign was endorsed by Person A and deposited into Person A's account at a bank located within Washington, D.C. By depositing these checks, Person A caused electronic communications to be sent from Washington, D.C., to

<sup>2</sup> This \$9,000 deposit is also referenced in Paragraph 36 because the remainder of this deposit was diverted for another unlawful expenditure. An asterisk appears next to that deposit in the table in Paragraph 36.

<sup>3</sup> The October 15, 2008 payment from Person A to Defendant was in cash. All other payments from Person A to Defendant reflected in this table were by check.

<sup>4</sup> This \$4,730.39 deposit is also referenced in Paragraph 35 because almost all of the remainder of this deposit was diverted for another unlawful expenditure. An asterisk appears next to that deposit in the table in Paragraph 35.

Virginia, as these communications were a standard component of clearing a check at Person A's bank.

34. Defendant deposited each of the payments he received from Person A into personal accounts he maintained for his personal use.

Paying Down Personal Credit Card Balances

35. Between on or about January 18, 2011, and March 22, 2012, Person A issued six checks to pay down the balances on personal credit cards maintained by Defendant and Co-Conspirator 1. Each of these payments was preceded by a deposit into Person A's bank account that was equal in amount to, or greater than, the payment Person A made to pay down the personal credit card balances of Defendant and Co-Conspirator 1. The 2011 deposits were cash deposits. Person A received the cash for these deposits from Defendant. Defendant has represented that this cash was given to him by family members. The 2012 deposits were checks Person A received from the Campaign. Defendant instructed Person A to issue these Campaign checks to Person A and to use the funds from the checks to pay down the personal credit card balances of Defendant and Co-Conspirator 1. Person A had not performed work that would have entitled Person A to the amounts reflected in these payments. The details of the transactions are as follows:

<b>Date of Person A's Deposit</b>	<b>Amount</b>	<b>Date Person A Issued Check</b>	<b>Amount of Check</b>	<b>Defendant's Card Numbers</b>
1/18/2011	\$4,500	1/21/2011	\$4,500	***9009
3/9/2011	\$4,800	3/16/2011	\$4,800	***9009
4/13/2011	\$3,500	4/18/2011	\$3,500	***1000
7/26/2011	\$3,600	7/29/2011	\$3,600	***1000
2/16/2012	\$2,000	2/18/2012	\$2,000	***1000
3/22/2012	\$4,730.39*	3/22/2012	\$2,810.91	***1000

Washington, D.C., Home Renovations

36. From in or about October 2008 through in or about September 2011, Person A received numerous payments from the Campaign that Person A used to pay for work performed by several different contractors on Defendant's Washington, D.C., home. For each of these payments, Defendant instructed Person A to issue a Campaign check to Person A and to use the funds from the check to pay the contractors' bills. Person A had not performed work that would have entitled Person A to the amounts reflected in these payments. Each of these checks from the Campaign was endorsed by Person A and deposited into Person A's account at a bank located within Washington, D.C. By depositing these checks, Person A caused electronic communications to be sent from Washington, D.C., to Virginia, as these communications were a standard component of clearing checks at Person A's bank. The details of the transactions are as follows:

<b>Campaign to Person A (Post Date)</b>	<b>Amount of Check</b>	<b>Person A Check Date to Contractor</b>	<b>Amount of Check to Contractor</b>
10/6/2008	\$2,100	10/8/2008	\$2,085
10/14/2008	\$9,000 *	10/14/2008	\$2,500
7/10/2009	\$3,500	7/10/2009	\$1,005
--	--	7/13/2009	\$1,700
--	--	7/22/2009	\$409.25
7/15/2009	\$1,150	7/14/2009	\$100
--	--	7/15/2009	\$1,050
1/11/2010	\$1,000	2/25/2010	\$220
--	--		\$640
7/19/2011	\$2,500	7/12/2011	\$435.66
--	--	7/19/2011	\$1,900
--	--	7/21/2011	\$225
--	--	7/21/2011	\$275
--	--	7/25/2011	\$905.20
7/26/2011	\$2,900	--	--
8/1/2011	\$6,300	--	--
8/2/2011	\$6,100	--	--
--	--	8/1/2011	\$800.00
--	--	8/1/2011	\$1,850
--	--	8/2/2011	\$450
--	--	8/2/2011	\$1,100
--	--	8/5/2011	\$3,700
--	--	8/8/2011	\$857.65
8/30/2011	\$1,500	8/31/2011	\$3,000
9/20/2011	\$1,200	9/20/2011	\$1,139.58

Purchasing Elk Heads

37. On or about March 11, 2011, Defendant exchanged emails with a taxidermist based in Montana about acquiring two mounted elk heads.

38. From in or about March 2011 through in or about April 2011, Person A received funds and used those funds to purchase the elk heads on Defendant's behalf. The first deposit Person A received in connection with these transactions was cash provided to Person A by Defendant. Defendant has represented that the cash was given to him by family members. The other two deposits were checks that Person A received from the Campaign. Person A, though, had not performed work that would have entitled Person A to the amounts reflected in these two checks. Instead, Defendant instructed Person A to write checks in these amounts so that Person A could have sufficient funds to issue checks in the amounts that Defendant desired. The details of those transactions are as follows:

<b>Campaign to Person A (Posted Date)</b>	<b>Amount of Check</b>	<b>Memo for Check</b>	<b>Person A to Taxidermist (Check Date)</b>	<b>Amount of Check</b>
3/14/2011	\$3,005	N/A [Cash]	3/14/2011	\$3,000 (Cashier) \$5 fee for cashier
3/29/2011	\$3,500	"for Data Reconciliation"	4/1/2011	\$3,000
4/21/2011	\$1,500	"for Data Entry & Cleanup"	4/21/2011	\$1,053

39. On or about March 14, 2011, Person A sent, via interstate carrier, the cashier's check from Defendant's Congressional Office to the taxidermist in Montana.

40. On or about April 18, 2011, the taxidermist shipped the elk heads from Montana to Defendant's Congressional Office.

41. On or about April 21, 2011, Person A sent, via interstate carrier, the final payment for the elk heads from Defendant's Congressional Office to the taxidermist in Montana.

42. Both of the checks from the Campaign were endorsed by Person A and deposited into Person A's account at a bank located within Washington, D.C. By depositing these checks, Person A caused electronic communications to be sent from Washington, D.C., to Virginia, as such communications were a standard component of clearing a check at Person A's bank.

43. On or about July 23, 2012, Person A contacted the taxidermist, asking if the taxidermist knew someone who could purchase the elk heads or, in the alternative, someone who could build crates into which the elk heads could be placed for storage.

44. On or about August 23, 2012, an undercover employee with the FBI ("UCE 1") called Person A, informing Person A that UCE 1 was an interior designer who had received Person A's name from the taxidermist and inquiring whether Person A had elk heads for sale.

45. From on or about August 24, 2012, through on or about August 30, 2012, Person A completed the sale of Defendant's elk heads to UCE 1. UCE 1 represented that UCE 1's client was willing to pay \$5,300, which was less than the original price. Person A agreed to the price and instructed UCE 1 to wire the funds for the elk heads to one of Defendant's personal accounts. UCE 1 wired the funds as instructed. After wiring the funds, UCE 1 arranged to pick up the elk heads in Chicago, where they had been moved in early August 2012.

46. Co-Conspirator 1, knowing that these elk heads had been purchased with Campaign funds, directed: that the elk heads be moved from Washington, D.C., to Chicago, Illinois; that Person A sell the elk heads; that Person A sell them for less than the amount for

which they were purchased; and that Person A instruct UCE 1 to wire the proceeds to Defendant's personal account.

***Defendant Was the Beneficiary of Undisclosed Transactions***

*Person C*

Personal Credit Card Payment

47. On or about September 8, 2009, Person C deposited \$3,700 in cash into a checking account Person C maintained ("Chicago checking account"). Person C received this cash from Defendant. Defendant has represented that this cash was given to him by family members. Immediately after depositing the funds, Person C wrote a check in the amount of \$2,000 to pay down the balance of a personal credit card maintained by Defendant and Co-Conspirator 1.

48. On or about September 9, 2009, the credit card company credited the \$2,000 to the account of Defendant and Co-Conspirator 1. Person C made this payment at Defendant's direction.

Memorabilia Purchase

49. On or about October 13, 2009, Person C deposited \$4,500 in cash into the Chicago checking account. Person C received this cash from Defendant, who has represented that this cash was given to him by family members.

50. On or about November 12, 2009, Person C paid Antiquities of Nevada \$4,000 using the debit card linked to the Chicago checking account.

51. On or about November 13, 2009, Person C paid Antiquities of Nevada an additional \$1,500, using the same debit card.

52. Records from Antiquities of Nevada reflect that the \$5,500 in payments from Person C was for a guitar used by Michael Jackson and Eddie Van Halen. The records further reflect that this guitar was shipped, via an interstate carrier, from Las Vegas, Nevada, to Defendant's Congressional Office in Washington, D.C. Person C made this purchase and shipped this item at Defendant's direction.

School Payments

53. On or about April 12, 2010, Person C deposited \$6,400 in cash into the Chicago checking account. Person C received this cash from Defendant. After depositing the cash, Person C obtained two cashier's checks for \$3,200 each. The payee on both checks was a private school located in Chicago. The "Purchased by" line on both checks stated that the checks were purchased by Co-Conspirator 1.

*Person D*

54. Between on or about August 21, 2009, and September 3, 2009, Person D made five cash deposits into an account Person D maintained, totaling \$15,000. Person D received this cash from Defendant. Defendant has represented that this cash was given to him by family members. Shortly after Person D started making these deposits, Person D began issuing checks to pay down balances on a credit card account maintained by Defendant and Co-Conspirator 1. Person D made these payments at Defendant's direction. The details of the payments are as follows:

- On or before August 26, 2009, Person D issued a check for \$8,000 to pay down the balance of a personal credit card maintained by Defendant and Co-Conspirator 1.
- On or about August 26, 2009, the credit card company credited the \$8,000 to the account of Defendant and Co-Conspirator 1.
- On or before September 11, 2009, Person D issued a check for \$7,500 to pay down the balance of a personal credit card maintained by Defendant and Co-Conspirator 1.



- On or about September 11, 2009, the credit card company credited the \$7,500 to the account of Defendant and Co-Conspirator 1.
- On or before October 1, 2009, Person D issued a check for \$1,000 to pay down the balance of a personal credit card maintained by Defendant and Co-Conspirator 1.
- On or about October 1, 2009, the credit card company credited the \$1,000 to the account of Defendant and Co-Conspirator 1.

*Person E*

55. On or about May 5, 2009, Person E, at Defendant's direction, issued a check for \$3,500 from a business account Person E controlled to a credit card company to pay down a balance on one of the personal credit cards of Defendant and Co-Conspirator 1.

56. On or about May 13, 2009, the credit card company credited the \$3,500 to the account of Defendant and Co-Conspirator 1.

*Person F*

57. On or about April 25, 2011, Person F, at Defendant's direction, issued a check for \$25,000 from a corporate account Person F controlled to pay down a balance on one of the personal credit cards of Defendant and Co-Conspirator 1.

58. On or about April 30, 2011, the credit card company credited the \$25,000 to the account of Defendant and Co-Conspirator 1.

***Intentionally False and Misleading Filings***

*FEC*

59. From in or about August 2005 through in or about July 2012, Defendant and Co-Conspirator 1 directed that materially false and misleading reports be filed with the FEC. Defendant and Co-Conspirator 1, on numerous occasions, directed Person A not to itemize the personal expenditures made on the Campaign credit cards, which resulted in the failure to report personal expenditures on the Campaign credit cards that should have been reported. On other

occasions, Defendant and Co-Conspirator 1 knowingly and intentionally provided Person A with false and misleading justifications for their expenditures from Campaign funds, causing Person A, in turn, to prepare false and misleading reports for submission to the FEC. Co-Conspirator 1, Person A, and Person B then submitted the forms containing the materially false and misleading statements to the FEC. Examples of some of these false and misleading disclosures include:

- On or about May 29, 2008, Person A reported that the Campaign spent \$1,553.08 on January 22, 2008, at a Chicago Museum for “room rental – fundraiser.” In truth and in fact, Defendant spent these funds to purchase porcelain collector’s items.
- On or about July 11, 2008, Person A reported that the Campaign spent \$387.53 on May 27, 2008, at Home Depot for “Equip for Office Repairs.” In truth and in fact, Defendant spent these funds to purchase grass seed and fertilizer for the lawn at his Chicago home.
- On or about January 23, 2009, Person B reported that the Campaign spent \$224.89 on November 4, 2008, at a hotel restaurant for “FR Dinner Mtg.” In truth and in fact, Defendant spent these funds to purchase lunch for him and his family.
- On or about January 23, 2009, Person B reported that the Campaign spent \$387.04 on November 22, 2008, at Costco for “Food for Campaign Staff Holiday dinner.” In truth and in fact, Co-Conspirator 1 spent these funds to purchase bath robes, a Christmas train, cleaning supplies, and food for Co-Conspirator 1’s family’s personal use.

*United States House of Representatives*

60. The financial disclosure statements Defendant submitted to the Office of the Clerk for the United States House of Representatives for calendar years 2007 (submitted May 15, 2008); 2008 (submitted May 15, 2009); 2009 (submitted May 17, 2010); 2010 (submitted May 13, 2011); and 2011 (submitted May 15, 2012) failed to reflect the payments and purchases that Person A, Person E, and Person F made on Defendant’s behalf. Moreover, the reports do not reflect Campaign funds Defendant received and used for personal expenditures. These omissions were willfully and knowingly made by Defendant.

CONCLUSION

61. As a result of the conspiracy described above, Defendant willingly and knowingly used approximately \$750,000 from the Campaign's accounts for personal expenses that benefitted Defendant and Co-Conspirator 1.

A handwritten signature in cursive script, appearing to read "Matt", followed by a horizontal line.

MATT GRAVES

MICHAEL ATKINSON

Bar No. DC - 481052 (Graves)

Bar No. DC - 430517 (Atkinson)

Assistant United States Attorneys

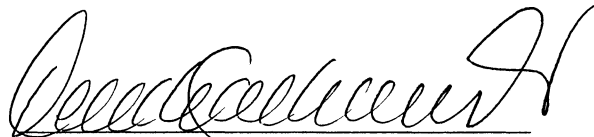
555 4th Street, N.W., 5<sup>th</sup> Floor

Washington, D.C. 20530

**Defendant's Acceptance**

I have read this Statement of the Offense and carefully reviewed every part of it with my attorneys. I am fully satisfied with the legal services provided by my attorney in connection with this Statement of the Offense and all matters relating to it. I fully understand this Statement of the Offense and voluntarily agree to it. No threats have been made to me, nor am I under the influence of anything that could impede my ability to understand this Statement of the Offense fully. No agreements, promises, understandings, or representations have been made with, to, or for me other than those set forth above.

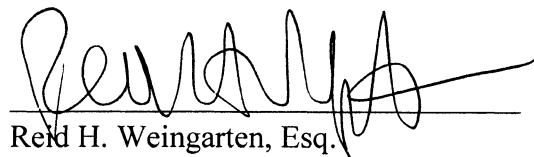
2-20-13  
Date

  
Jesse L. Jackson, Jr.

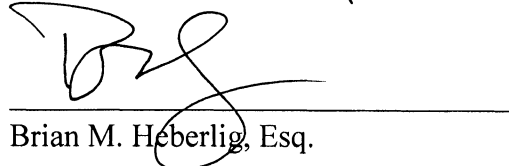
**Defense Counsel's Acknowledgment**

I am Jesse L. Jackson, Jr.'s attorney. I have reviewed every part of this Statement of the Offense with him. It accurately and completely sets forth the Statement of the Offense agreed to by the defendant and the Office of the United States Attorney for the District of Columbia.

2-20-13  
Date

  
Reid H. Weingarten, Esq.

2-20-13  
Date

  
Brian M. Heberlig, Esq.